Attachment 3

Factors to be Used in Determining a Recommended Set of Projects

The following is an expanded discussion of the factors to be used by the Integration Panel in their determination of a recommended set of projects. This list and associated descriptions are considered preliminary and will be used as guidance to the Integration Panel. Modifications to the list and descriptions are anticipated as the process evolves, especially by the Integration Panel, as appropriate, to assist in their process. The final assumptions surrounding these factors will be presented along with the project recommendations to the Ecosystem Roundtable and CALFED Management.

A. The proposal evaluation scores from the Technical Review Panels. Each Technical Review Panel will provide scores and a relative ranking of proposals evaluated by that panel. The Integration Panel will not re-evaluate proposal scoring, but would essentially make a determination of how far down the Technical Review Panels' lists to go using factors such as described below.

B. The relative importance of the different priority species and habitats, based on the level of decline and future risk of the priority species and habitats. The RFP identifies the priority species and habitats, as developed by CALFED staff with input from the Ecosystem Roundtable. However, not all species and habitats have an equal degree of immediate need. Two of the more important considerations in determination of an allocation of resources between the various priority species and habitats are the relative level of decline and future risk to the species/habitat. Other considerations may also be included in this determination.

C. The relative benefit to the priority species and habitats as a result of addressing a stressor. For each of those priority species and habitats, there is also variation in the relative importance of addressing the different stressors in providing benefits to the particular species and/or habitat. For example, is there more benefit to restoring spawning gravel or removing a barrier? A biological assessment of the relative needs of the particular species/habitat will guide the distribution of projects that achieve the optimal benefit to that species/habitat.

D. The availability of quality proposals. Quality proposals must be available to allow for achievement of the appropriate distribution of projects, consistent with the results of the above assessments. If, in response to this RFP, an inadequate number of quality proposals are available which then precludes the appropriate distribution of projects, less funding will be allocated in this cycle.

E. The consistency of the proposals with other CALFED objectives. The CALFED long-term Program is focused on four areas: Ecosystem Quality, Water Supply, Water Quality

and System Vulnerability. These associated objectives should not be compromised nor prejudiced by the selection of projects through this Category III process. While this criteria is used as part of the scoring for each individual proposal, the criteria should also be applied to the integrated package of projects.

F. The need for consistency and integration between projects. As individual projects are selected and become part of the recommended funding package, there could be ecosystem benefits and cost efficiency in coordinating activities between projects, adding or supplementing projects to achieve continuity, integration and consistency, and/or postponing a project until other related projects are completed.

G. The use of co-funding or alternative funding sources. It will be the role of the Integration Panel with assistance from CALFED staff to collaborate with alternative funding sources before a final selection of projects is made. For example, alternative sources of funds, such as CVPIA, will be available to support projects identified through this RFP, and those decisions for FY 98 are being made concurrent to this process. A funding package cannot be assembled without determining what projects require full Category III funding and which should/could be cost-shared with other sources.

H. An appropriate distribution of projects regarding:

1) Diversity of ecosystem restoration efforts and habitat value. The individual Technical Review Panels will primarily be assessing the benefits of projects for the individual priority species and habitats, and may not equally judge the needs of the broader ecosystem. Using the guidelines developed earlier by the Integration Panel regarding relative species/habitat needs, the Integration Panel will assess the distribution of projects to achieve an appropriate diversity of restoration efforts and habitat values across the ecosystem.

2) Uncertainty of benefits and/or risk of implementation. Projects will have varying levels of certainty/uncertainty of benefits due to the complex nature of biological interactions and level of existing science. Many aspects of ecosystem restoration require additional research and pilot studies to determine the potential benefits and implementation methods. The recommended funding package needs to help address key areas of scientific uncertainty as well as select projects where scientific certainty is greater. Accordingly, the Integration Panel will need to recommend an appropriate balance in order to address all aspect of ecosystem restoration.

3) Immediate and long-term benefits. Projects will also vary in the timing of when ecosystem benefits may be realized. Accordingly, the Integration Panel will need to assess the overall set of projects to achieve an appropriate balance of immediate and long-term benefits.

4) Direct and indirect benefits. There are projects which can result in a direct benefit to the ecosystem (e.g., screening of a diversion, riparian habitat) as compared to projects which are beneficial but in an indirect manner (e.g., modeling of salmon survival, data base systems). Again, an appropriate distribution between direct versus indirect benefits needs to be achieved with the set of projects recommended by the Integration Panel.